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Yugoslavia: Five Weeks Into the Succession

The Yugoslav leadership continues to exhibit confidence in its ability to govern without Tito. The transfer of power to the collegial leadership has been smooth.

The new leaders repeatedly have expressed their determination to follow the path laid out by Tito--a non-aligned policy abroad and socialist self-management at home. This resolve is reinforced by the implied threat the Yugoslavs see by the Soviet move into Kabul and by what they interpret as Moscow's efforts to reestablish its authority over international socialism.

Domestic political problems may surface soon. Even before Tito died, there was evidence that some party officials were jockeying for position within the collective leadership. This behind-the-scenes maneuvering will continue and could intensify. The first major test for the collective leadership probably will come in October, when the post of party presidium chairman is scheduled to rotate. There are no statutes governing the selection of a new chairman, nor is there a precedent for establishing rotation among the presidium members.

Solving the nation's seemingly chronic economic problems will be a serious challenge. The Yugoslavs already have turned to Western countries for economic and financial aid and are likely to regard the response as a barometer of the West's willingness to support post-Tito Yugoslavia.

For the Soviets, new leadership in Belgrade does not appear to have brought any lessening of the differences separating Moscow and Belgrade. With Tito comatose in late April, the new Yugoslav leaders refused to attend the Soviet-inspired meeting of European Communist parties in Paris. More recently, the Yugoslavs have renewed their efforts to call a nonaligned ministerial meeting focused on the Soviet military intervention in Afghanistan. There is

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no evidence yet, however, that the Soviets are making any special efforts to gain control over the new leaders or to destabilize the regime.

The new collegial system is unlikely to be durable over the longer run--particularly given the problems it faces. Nevertheless, the new leaders gained valuable experience and confidence during Tito's four-month long illness. For now, however, they appear intent on abiding scrupulously by the rules of collectivity. This should mean eight to 12 months of relative calm in domestic politics.

The Succession

The succession machinery has functioned well. Within hours of Tito's death on 4 May, the State Presidency met and installed Vice President Lazar Kolisevski for the Yugoslav State Presidency. Less than two weeks later, on 15 May, Kolisevski's one-year-term as Vice President and short start as President had come to an end on schedule. In a show of rule-by-law intended for audiences at home and abroad--and reported on nationwide television--another President was selected in accordance with the established principle of annual rotation among Presidency members and among the nation's republics and provinces.

The new President, Cvjetin Mijatovic, a Serb from Bosnia-Herzegovina, was elected along with a new Vice President, Stevan Kraigher from Slovenia. The rules of procedure were subsequently amended so that the State Presidency rotation applies to both the President and Vice President. Kraigher will assume the Presidency in May 1981. A Serb, probably Petar Stambolic, will assume the Vice Presidency. Thus, the new leadership wasted little time in clearing up some of the few ambiguities associated with the State Presidency.

The regime's strict observance of the rules of the collective leadership is calculated to project an air of confidence and self-assurance. At the time of Tito's funeral, for example, the Yugoslav news agency Tanjug listed the members of the party leadership alphabetically; when naming members of the state leadership, the media followed the established order of rotation by which each member assumes the Presidency.

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At the funeral the speeches broke no new ground; instead the speakers stressed continuity, the unity of the Yugoslav peoples, and the nation's determination to preserve its independence. [REDACTED]

Just before Tito's death, and in hopes of silencing domestic critics, the regime sought and apparently gained promises from a number of politicians ousted in the 1970s--mainly Serbs and Croats--not to make trouble in the succession period. One of them, Mijalko Todorovic, publicly expressed his loyalty to Tito and his policies at the time of the funeral. [REDACTED]

In an effort to highlight the fact that the nation's most volatile minority has a role in Yugoslavia's future, Fadil Hodza, the country's foremost Albanian, was given the honor of accompanying Tito's body on the train from Ljubljana to Belgrade. Hodza also played a prominent role in meeting foreign dignitaries--receiving nationwide coverage in the Yugoslav media. [REDACTED]

In connection with Security Day on 13 May, most of the key players in the leadership--including Defense Minister Ljubicic, then State President Kolisevski, party Presidium Chairman Doronjski, and Presidium member Bakaric--met with Interior Minister Herljevic, rather than sending the customary telegrams. The publicity accorded these meetings was designed to demonstrate the degree of cooperation among Yugoslavia's new leaders--particularly those who formulate national defense and internal security policies. [REDACTED]

Relations With Moscow

Both the Yugoslavs and Soviets recently commemorated in "correct" fashion the anniversary of the Belgrade Declaration of 1955, and relations in general are correct. There have been no indications, however, that either the Yugoslavs or Soviets are prepared to make concessions over the differences that separate them. With Soviet President Brezhnev in the audience, Presidium Chairman Doronjski, in his eulogy of Tito, made a low-key, but pointed reference to the correctness of Tito's break with Stalin in 1948. More recently, Yugoslavia's most noted news commentator, Milika Sundic, lost no time in responding to Pravda's

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criticism of the Yugoslav and other parties for not attending the Moscow-inspired meeting of Communist parties in Paris [REDACTED]

Fundamental differences block any significant improvement in bilateral relations which are further strained over Afghanistan, Kampuchea, China, and the course of the Nonaligned Movement. These strains are tempered, however, by Yugoslavia's dependence on the Soviet Union for military equipment and their close economic ties. [REDACTED]

Five weeks into the succession, Yugoslav-Soviet relations appear to be settling into the traditional shifting blend of cooperation and confrontation. On the one hand, the formal (but somewhat unconvincing) expressions of friendship continue apace, as do cultural and economic ties. On the other, the two have already returned to sniping at each other in the press. [REDACTED]

Problems In the Economy

The most difficult problem the new leadership in Yugoslavia faces is resolving the seemingly chronic economic difficulties. [REDACTED]

Growing inflation and balance-of-payments problems force it to consider further austerity measures that could have negative political consequences. In the past, even with Tito alive, Belgrade has shied away from implementing a vigorous and effective stabilization program. [REDACTED]

Yugoslav efforts to combat inflation and cut its foreign trade deficit in 1979 met with little success. Measures introduced in 1979--including a partial price freeze and controls on credit, particularly for investment--failed to produce the desired results. [REDACTED]

Now, there are signs the new leaders will implement a rigorous stabilization program. The dinar was devalued by 30 percent and a partial price freeze was imposed on 6 June. These measures were announced simultaneously with IMF approval of a new loan for Yugoslavia for US \$444 million in return for which Belgrade has undertaken to implement a stabilization program. The

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measures are part of a tough three-stage program the government is preparing. The second phase will include measures designed to bring into line investment, public sector spending, and the growth of personal incomes. The government is expected to introduce additional monetary and foreign exchange policies. These will be part of the third phase which will be incorporated into the 1981-85 five-year plan. [REDACTED]

Tito's successors also face growing signs that the wealthier republics, particularly Slovenia, will challenge the system under which financial aid is mandated to the country's less-developed regions. [REDACTED]

Uncertainties Ahead

The collective leadership system that Tito introduced in late 1978 has yet to be fully implemented. On the federal level, both the party and state executive collegial bodies are in place, but implementation of the system at the republic and local levels lags because republic-level and local officials resist collegiality which they see as a threat to their power base. [REDACTED]

In Belgrade, the relationships between the members of the party and state executive bodies have yet to be spelled out. It also is clear that these two collegial executives are not equal, and that factions backing this or that individual already are forming. Political maneuvering, backbiting, and intrigue have been endemic to Yugoslavia, even with Tito alive. [REDACTED]

Serbian power appears to be coalescing around Defense Minister Ljubicic and Presidium members Milos Minic and Petar Stambolic. On the other hand, Croatian influence rivets on Vladimir Bakaric, the man Tito tapped to oversee the succession. Bakaric apparently is drawing his main support from fellow Croats and political allies from neighboring Bosnia-Herzegovina. The rivalry between these two groups could become a disruptive factor over the next several months, but for the moment there are no signs it is getting out of hand. A major test could develop over the summer if the supporters of Bakaric persist in their recent efforts to have him named the next party presidium chairman. This move is reportedly opposed by Minic and his followers. The

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problem is complicated because there is no precedent set for selecting a new presidium chairman. In the past, Tito picked the presidium chairman. [REDACTED]

This behind-the-scenes jockeying complicated by the political aspirations of other prominent Yugoslavs, including Slovenian Stane Dolanc. Thus far, however, all factions have shown a willingness to keep their political machinations within acceptable bounds. The test could come in October when they contend for the much coveted position of the party presidium chairman which becomes vacant. [REDACTED]

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